

LFC Requester:**Christina Keyes****AGENCY BILL ANALYSIS
2016 REGULAR SESSION****WITHIN 24 HOURS OF BILL POSTING, EMAIL ANALYSIS TO:****LFC@NMLEGIS.GOV***and***DFA@STATE.NM.US***{Include the bill no. in the email subject line, e.g., HB2, and only attach one bill analysis and related documentation per email message}***SECTION I: GENERAL INFORMATION***{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}**Check all that apply:***Original** X **Amendment**
Correction **Substitute** **Date** 4 February 2016**Bill No:** HB 324**Sponsor:** Rep. Luciano Varela**Agency Code:** 305**Short** Repeal Tax Credits, Deductions**Person Writing** Joseph M. Dworak**Title:** & Exemptions**Phone:** 505.827.6986 **Email** jdworak@nmag.gov**SECTION II: FISCAL IMPACT****APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY16	FY17		

(Parenthesis () Indicate Expenditure Decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY16	FY17	FY18		

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY16	FY17	FY18	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total						

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to: Several other bill introduced this session in both chambers deal with amending sections of law that would otherwise be repealed by HB 324. Duplicates/Relates to Appropriation in the General Appropriation Act

SECTION III: NARRATIVE**BILL SUMMARY**

This analysis is neither a formal Attorney General's Opinion nor an Attorney General's Advisory Letter. This is a staff analysis in response to an agency's, committee's, or legislator's request.

Synopsis:

HB324 proposes to repeal tax credits, deductions, and exemptions from the following statutes:

- Income Tax Act (Sections 7-2-1 to -36)
- Corporate Income and Franchise Tax Act (Sections 7-2A-1 to -26)
- Venture Capital Investment Act (Sections 7-2D-1 to -14)
- Rural Job Tax Credits (Sections 7-2E-1 to -2)
- Film Production Tax Credit (Sections 7-9F-1 to -2)
- Affordable Housing Tax Credit Act (Sections 7-9I-1 to -6)
- Gross Receipts and Compensating Tax Act (Sections 7-9-1 to -114)
- Investment Credit Act (Sections 7-9A-1 to -11)
- Laboratory Partnership with Small Business Tax Credit (Sections 7-9E-1 to -11)
- Alternative Energy Product Manufactures Tax Credit Act (Sections 7-9J-1 to -8)

HB324 would repeal over 100 sections of New Mexico tax law regarding tax credits, deductions, and exemption.

FISCAL IMPLICATIONS**SIGNIFICANT ISSUES****PERFORMANCE IMPLICATIONS****ADMINISTRATIVE IMPLICATIONS****CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

Several other bill introduced this session in both chambers deal with amending sections of law that would otherwise be repealed by HB 324.

TECHNICAL ISSUES**OTHER SUBSTANTIVE ISSUES**

ALTERNATIVES

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

AMENDMENTS